

Procurement Code Changes  
OSE Manual Changes  
Implement S-572  
June 15, 2006

On June 13, 2006, Governor Mark Sanford signed into law bill S.572 which amends the Consolidated Procurement Code. The following information is provided as guidance and is not a comprehensive listing of all of the changes. The bill S.572 is available at [http://www.scstatehouse.net/sess116\\_2005-2006/bills/572.htm](http://www.scstatehouse.net/sess116_2005-2006/bills/572.htm). This list is for use as a quick reference and guide as it governs routine activities.

- 11-35-1520 (1)
  - Contracts greater than \$50,000 must be award by competitive sealed bids. [was \$25,000]
- 11-35-1520 (10) Award - see 11-35-3020 (c)
- 11-35-1550
  - Small Purchases are **\$50,000** and below [was \$25,000]
  - \$00.00 to \$2,500 no quotes required
  - \$2,500.01 to \$10,000 solicitation of written quotes from 3 qualified sources is required.
  - \$10,000.01 to \$50,000 requires advertisement in SCBO one time and copy of the quotes must be attached to the purchase requisition.
- 11-35-3020
  - 2 (c) Construction contracts – **10** days waiting period; agency may enter into a contract on the 11<sup>th</sup> day [was 16 Days]
  - (d) (1) Negotiations after Unsuccessful Competitive Sealed Bidding:
    - When bids exceed available funds, circumstances does not permit the time to re-bid, and the base bid less any deductive alternates, does not exceed available funds by an amount greater than **10%** of the construction budget, a contract can be negotiated. [was 5%]
- 11-35-3030
  - Bid Security; (a) Requirement for bid security; Bidding security is required for all competitive sealed bidding for construction contracts in excess of \$50,000 [was \$100,000]
  - Contract Performance and Payment bonds are to be provided for a project construction contracts in excess of \$50,000
- 11-35-3220
  - Selection and Ranking of Firms shall be based on the **3** Most Qualified [was 5]
  - requires that the agency Selection Committee evaluate each of the persons or firms interviewed based on the following **9** criteria [was 7]:
    - (a) past performance;
    - (b) the ability of professional personnel;

- (c) demonstrated ability to meet time and budget requirements;
  - (d) location **and knowledge of the locality of the project if the application of this criterion leaves an appropriate number of qualified firms, given the nature and size of the project**
  - (e) recent, current and projected work loads of the firms;
  - (f) creativity and insight related to the project;
  - (g) related experience on similar projects,
  - (h) **volume of work awarded by the using agency to the person or firm during the previous five years, with the objective of effectuating an equitable distribution of contracts by the State among qualified firms including Minority Business Enterprises certified by the South Carolina Office of Small Minority Business Assistance and firms that have not had previous state work;** and
  - (i) **Any other special qualification required pursuant to the solicitation of the using agency.**
- 11-35-3230
    - (1) Agency may award contracts for Architectural Engineer or Land Surveying services by Direct Negotiation that do not exceed \$25,000 [no change]
    - (3) contract for A/E or land Surveying Services for \$25,000 or less are to be submitted to **OSE for Information** [previously had to submit for approval]
  - 11-35-4210
    - Rights to Protest
      - Solicitation Protest time period is 15 days [no change]
      - Award or intent to award Protest period is **10** days from date of award [was 15 days]
  - 11-35-5230 (B) (2)
    - Tax Credit
      - Tax Credit is limited to a maximum of **\$50,000** [was \$25,000]
      - Firm is eligible to claim tax credit for **10** years [was 5 years]